NAME: COOPERATIVE PRODUCTIVE SOCIETY FOR SOCIAL SERVICES TO RUGS PRODUCERS IN FOWA

TRAINING DATES 28 - 30 APRIL, 2016

COACHING DATES: 1-2 MAY, 2016

I. Basic Data:

Address: Kafr El Sheikh, Makraz Fowa, Gamal Abdel Nasser Street

Legal Status: Productive Cooperative established under Law # 110, 1975

Registered under # 1 for the year 1992

Areas of work: Economic Development – Social Welfare – Social Development for Rugs' workers. The main purpose of the foundation is to improve its members' social and economic status

Geographical Area of Activity: Kafr El Sheikh Governorate

Management Premises: Same address above

Number of founding members: 7 Board Members 7

Major Purposes (included in the approved bylaws):

- Providing marketing services for the members' production from Rugs, blankets and "Goblan"
- Establishing and operating a training center for the members' families
- Establishing and operating a health care unit for the members and their families
- Providing cash and in-kind support for members and their families in cases of emergency needs
- Providing loans to members with preferred terms to establish and/or expand productive enterprises
- Providing cultural and social services to members and their families

II. Premises and Organizational Structure

- The cooperative premises is housed within the office building of the local administrative department in Gamal Abdel Nasser street and has a workshop facility with weaving machines أنوال, as well as warehouses for raw materials and finished products

- The cooperative has a simple organizational structure including:
    - Cooperative Secretary
    - Accounting officer

III. Brief on Training and Coaching

In general the cooperative was committed to attend and benefit from the training, as well as the coaching sessions. With regards to the training, participants' engagement was effective with high participation level and keenness to learn all about the financial systems, procedures and requirements to operate, expand and qualify for participating in higher levels of activities through obtaining loans for on-lending to its members. Following is a list of the attendees:

Name	***Position***	***Coordinates***
Fathi Soliman Khallaf	Cooperative Treasurer	Mob: 01003050807
Mahmoud Saad Abed	Chairman	01096761874
Ibrahim Abdel Basset	Board Member	01011028864
Saad Allah Al-Gohary	Deputy Chairman	01288458685
Abdel Kader Abo Moussa	Board Secretary	01011448745

With regards to the coaching sessions, the consultant provided a detailed explanation regarding the documentary cycle and the financial books and records. These covered the current scope of the cooperative, as well as in case of engaging in providing loans to micro enterprises. The consultant delivered all required forms for cash management (collection and disbursements), as well as bank checks.

The consultant also assisted the cooperative in recording all financial transactions including its associated explanation notes, as well as opening accounting books and registers (including general journal, general ledger, fixed assets register, inventory register, and register for the analysis of general and administrative expenses); which are required by the Egyptian supervisory authorities including the Central Cooperative and Egyptian financial Supervisory Authority (EFSA). The consultant also delivered a simple excel-based accounting sheets

that help in recording transactions and producing Income Statements and Balance Sheets.

IV. Relevant Recommendation

In general, the cooperative has a potential to work in providing micro and small loans to its members in Fowa for the following reasons:

- All board members have a considerable experience in rugs and carpet production
- Many of the board members have prior experience in local authorities which provided them with knowledge about management of activities and civil services
- Experience in organizing training and workshops for the members and participation in exhibitions and marketing events[1]

With regards to the foundation preparedness to provide micro loans to its clients, it needs the following:

- Completing the organizational structure of the cooperative, this could be achieved even by appointing some of the board members to assume specific roles (with minimal payments) like executive manager, accountant, and operations manager. The organizational structure could then change to full-time hired employees upon achieving a critical mass of operations that enables the cooperative to pay for the salaries and other expenses.
- Complete training modules in loan extension and collection; including client identification, recruitment, assessment, and loan processing
- Training in loan application processing, assessing loan paper requirements, developing cash flow for the clients and assessing loan size
- Client follow-up during the loan cycles
- Loan documents' issuance and approvals (including loan requests, applications, and loan contracts)
- After receiving the appropriate training, the foundation also needs to apply for a license from the Egyptian Financial Supervisory Authority (EFSA) for a class "C" MFI license

[1] The cooperative is participating now in an exhibition in Cairo (Cairo Conference Halls)